Challenge:

Those of you in management, have you ever received a property that is built ready for lease up and know nothing about the commitments that have been made.

Roll Out Meeting:

- When Should the meeting take place:

  - Immediately following closing on the equity

  - A refresher meeting is helpful to have at about 2 months prior to the 1st building turn over from Construction to Management.

Roll Out Meeting:

- Who should Attend:
  - Owner
  - Financial Analyst
  - Real Estate Transaction Specialist
  - Development
  - Management
  - Marketing
  - Compliance
  - Construction

Roll Out Meeting:

- **What is discussed:**
  - Financial responsibility
    - Property Expenses
      - What the property is allocated to spend
      - Vacancy Rate
        - Vacancy rate used for underwriting (ie:7%)
    - Projected Lease Up Schedule
      - Management is provided a lease up schedule that must be achieved which was agreed to in loan documents and partnership agreements.
    - General Underwriting Issues
      - such as interest rate, debt service coverage, NOI, gap financing, development fee, and or deferred development fee, etc..

Roll Out Meeting:

- What is discussed, continued:
  - Commitments made in Application
    - Minimum Set Aside
    - Other set asides
    - Social Service Agreements
    - Extended Use Agreement
    - Amenities

Roll Out Meeting:

- What is discussed, continued:

  - **Project Profile Book**

  - How does this book help and what is included?

    - Provides communication to the on-site management staff

Project Profile Book:

- **TAB 1: Summary Sheet**
  - Building Identification Number (BIN)
  - Placed In Service date
  - 1st year credit claimed
  - Applicable Fraction
  - Minimum Set Aside
  - Compliance Period
  - Special designations in the property

Project Profile Book:

- **TAB 2: Profile Sheet**
  - Building Information
  - Unit Information
  - Project Features

- **TAB 3: Physical Compliance**
  - Narrative summary listing commitments in tax credit application and/or other financing apps (ie: HOME, AHP)
  - Development Design Selections
  - Unique Features

Project Profile Book:

- **TAB 4: Social Service Agreements**
  - Summary
  - Supporting documentation

- **TAB 5:**
- **Utility Allowance Documentation**
  - Used in application
  - Is a continuous update

Project Profile Book:

- ## TAB 6:
  - Copy of Tax Credit Application

- ## TAB 7: AFHMP

Project Profile Book:

- TAB 8: Development Map
  - Identifies every unit with a designated AMI.
  - Identifies bedroom size, # of baths, square footage, type (TC or MKT), starting rents, other financing (HOME, etc)
  - Utilized by IT, management, compliance.

Project Profile Book:

- Development Map continued:
  - Pro's
    - Eliminates room for error for non-compliance
    - Eliminates stress for the on-site staff
    - Spreads the mixed AMI's throughout the property.
    - Determines applicable fraction per building
      - Map is structured to calculate the Applicable Fraction
    - Determines # of units versus Square footage.
      - Based on # of units
      - Based on Square footage

Project Profile Book:

- **TAB 9: Extended Use Agreement**
  - Tax Credit
  - Bond Regulatory Agreement

- **TAB 10: Initial Resident Listing Sheet**

- **TAB 11: Certificate of Occupancy**

Compliance is CRITICAL!

- Why is it critical:
  - Protects Owners Credits
  - Controls consistency with the rules and regulations of the Program, State Agency, and Owner.
  - Controls contact with the State Agency
    - Stream lined through one person or one team.

Compliance is Critical:

- **What is the Team responsible for?**
  - Audit Move In and Recertifications giving final approval
  - Lease-up Focus
  - Trainer
  - In-house Auditor

Is it Critical for the on-site staff to understand the program?

- Training is crucial to your on-site staff
  - New Construction, Bond, HOME, AHP
  - Mixed income
  - Mixed AMI's
  - Set Asides

- The Project Profile book may give them the crucial information required to run their property, BUT can you read the book and understand the tax credit program?

TRAINING!

- Attend the IHFA Workshop
- Attend a training session with a professional Trainer.
- Implement a training program within your company

In-house Training Program:

- Classroom Style/Power Point Training
- 3 day course
- Includes an open book test
- Core:
  - Utilize Compliance Policy and Procedure manual
  - Discuss rules and regulations of the Program, State, and Owner's guidelines

In-house Training Program:

- Focus on how to income qualify an applicant and remain in compliance
- Focus on mixed income, mixed financing, mixed AMI's and how that impacts their property.
  - Income
  - Assets
  - Full Time Student Rule
  - AUR
  - Recertifications
  - Reviews all forms utilized
  - Scenarios (hands on)

In-house Training Program:

- Focus on how to audit a file
  - We teach and demonstrate how to review a file in an organized fashion.
  - We refer to this as Make A Cake!

In-house Training Program:

- Our training class is required for all new staff members to attend within 30 days of their hire date.
- Offered once a month currently.
  - Because training is so crucial, we are constantly reviewing to make sure we offer the best program for our company.
- Our company also hires a professional trainer once a year for all our on-site staff members to educate them with the Program

Summary:

- Roll Out Meeting (s)
- Corporate Compliance Team
- Training

- Three critical items needed to make sure the entire Development Team is on the same page!